through the actuarial studies and so forth, coming up with the correct rates, and they have to have stopgap (sic--stop-loss) insurance and so forth, but I also read that, in that particular case, the employers are responsible in case there is a shortage. And I think the risk of an emply...these employers would be substantial if...

SENATOR LANDIS: Understand that the employers have been brought in along the way, and all of the existing MEWAs have been consulted, and they had a chance, over the summer, to work with the department. There was no known opposition to this regime. It is lighter than some states and heavier than other states of the 40 states that do this. What the director said was, essentially, look, if you go in business together to get these benefits, you have to...you have to be able to promise each other that you can be assessed if there is a problem. Now, the assessment can't be too great, Pat, and the reason is, we say, your actuary tells you what your expected losses are, then you have to get an insurance policy...

SENATOR ENGEL: (inaudible), for the...

SENATOR LANDIS: ...at 125 percent. So the actuary is going to assess, and the board of directors are going to assess for the 100 percent of the claims. They might have to assess from 100 percent to 125 percent, but at that point insurance kicks in. So it seems to me that there is risk, but that top end risk is handled by the existence of the stop-loss reinsurance.

SENATOR ENGEL: And then I think Senator Beutler asked the question as far as if there is...the Department of Insurance has to get involved as far as who's paying the cost...their cost for anything that they have to regulate, et cetera, et cetera. Will it be fees involved here?

SENATOR LANDIS: There is a fee for the issuance of a certificate, but it's a modest fee.

SENATOR ENGEL: Very modest.

SENATOR LANDIS: Yeah. If we were to do some kind of an exam